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Transcript Exhibit(s)

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E-01345A-05-0526

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Arizona Corporation Commission
DOCKETED

JAN 30 2006

DOCKETED BY	
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Impact on E-12 Residential Customer Bills February Reset with No Surcharge

Summer	kwh	Customer Bill before 437	Customer Bill after 438	437 Rate Case	437 Rate Case	Feb. 2006 Reset	Feb. 2006 Reset
		Rate Case	Rate Case	% Impact	% Impact	(\$0.004/kWh)	% Impact
Median Use	818	\$80.64	\$84.13	4.3%	4.3%	\$3.27	3.9%
Average Use	1047	\$108.10	\$112.81	4.4%	4.4%	\$4.19	3.7%

Winter	kwh	Customer Bill before 437	Customer Bill after 438	437 Rate Case	437 Rate Case	Feb. 2006 Reset	Feb. 2006 Reset
		Rate Case	Rate Case	% Impact	% Impact	(\$0.004/kWh)	% Impact
Median Use	531	\$47.11	\$47.89	1.7%	1.7%	\$2.12	4.4%
Average Use	677	\$57.91	\$58.84	1.6%	1.6%	\$2.71	4.6%

Summer	kwh	(before rate case)		(after rate case)	
		Total	Cumulative	Total	Cumulative
Median Use	818	% Impact	% Impact	% Impact	% Impact
Average Use	1047	8.4%	8.4%	3.9%	3.7%

Winter	kwh	(before rate case)		(after rate case)	
		Total	Cumulative	Total	Cumulative
Median Use	531	% Impact	% Impact	% Impact	% Impact
Average Use	677	6.2%	6.3%	4.4%	4.6%

Impact on E-12 Residential Customer Bills April Reset with No Surcharge

	Summer	kwh	Customer Bill before 437		Customer Bill after 438		437 Rate Case		\$ Increase from Apr. 2006 Reset (\$0.004/kWh)		Customer Bill after Apr. 2006 Reset		Apr. 2006 Reset	
			Rate Case		Rate Case		% impact				Reset		% impact	
Median Use		818	\$80.64		\$84.13		4.3%		\$3.27		\$87.40		3.9%	
Average Use		1047	\$108.10		\$112.81		4.4%		\$4.19		\$117.00		3.7%	

	Winter	kwh	Customer Bill before 437		Customer Bill after 438		437 Rate Case		\$ Increase from Apr. 2006 Reset (\$0.004/kWh)		Customer Bill after Apr. 2006 Reset		Apr. 2006 Reset	
			Rate Case		Rate Case		% impact				Reset		% impact	
Median Use		531	\$47.11		\$47.89		1.7%		\$2.12		\$50.01		4.4%	
Average Use		677	\$57.91		\$58.84		1.6%		\$2.71		\$61.55		4.6%	

(before rate case)				(after rate case)			
Total		Cumulative		Total		Cumulative	
		% Impact				% Impact	
Summer		8.4%				3.9%	
Median Use		818				3.7%	
Average Use		1047					

(before rate case)				(after rate case)			
Total		Cumulative		Total		Cumulative	
		% Impact				% Impact	
Winter		6.2%				4.4%	
Median Use		531				4.6%	
Average Use		677					

Impact on E-12 Residential Customer Bills February Reset and February Surcharge

	Summer kwh	Customer Bill before 437		Customer Bill after 438		437 Rate Case		\$ Increase from Feb. 2006 Reset (\$0.004/kWh)		Customer Bill after Feb. 2006 Reset		Feb. 2006 Reset	
		Rate Case		Rate Case		% impact				Reset		% impact	
Median Use	818	\$80.64		\$84.13		4.3%		\$3.27		\$87.40		3.9%	
Average Use	1047	\$108.10		\$112.81		4.4%		\$4.19		\$117.00		3.7%	

	Winter kwh	Customer Bill before 437		Customer Bill after 438		437 Rate Case		\$ Increase from Feb. 2006 Reset (\$0.004/kWh)		Customer Bill after Feb. 2006 Reset		Feb. 2006 Reset	
		Rate Case		Rate Case		% impact				Reset		% impact	
Median Use	531	\$47.11		\$47.89		1.7%		\$2.12		\$50.01		4.4%	
Average Use	677	\$57.91		\$58.84		1.6%		\$2.71		\$61.55		4.6%	

	Summer kwh	\$ Increase from Feb. 2006 Surcharge (0.000686/kWh)		Customer Bill with Feb. 2006 Surcharge		Feb. 2006 Surcharge		(before rate case) Total		(after rate case) Total	
				Surcharge		% impact		Cumulative % Impact		Cumulative % Impact	
Median Use	818	\$0.56		\$87.96		0.6%		9.1%		4.6%	
Average Use	1047	\$0.72		\$117.72		0.6%		8.9%		4.3%	

	Winter kwh	\$ Increase from Feb. 2006 Surcharge (0.000686/kWh)		Customer Bill with Feb. 2006 Surcharge		Feb. 2006 Surcharge		(before rate case) Total		(after rate case) Total	
				Surcharge		% impact		Cumulative % Impact		Cumulative % Impact	
Median Use	531	\$0.36		\$50.38		0.7%		6.9%		5.2%	
Average Use	677	\$0.46		\$62.01		0.8%		7.1%		5.4%	

Impact on E-12 Residential Customer Bills April Reset and April Surcharge

	Summer	kwh	Customer Bill before 437		Customer Bill after 438		437 Rate Case		\$ Increase from Apr. 2006 Reset (\$0.004/kWh)		Customer Bill after Apr. 2006 Reset		Apr. 2006 Reset	
			Rate Case		Rate Case		% impact				Reset		% impact	
Median Use	818		\$80.64		\$84.13		4.3%		\$3.27		\$87.40		3.9%	
Average Use	1047		\$108.10		\$112.81		4.4%		\$4.19		\$117.00		3.7%	

	Winter	kwh	Customer Bill before 437		Customer Bill after 438		437 Rate Case		\$ Increase from Apr. 2006 Reset (\$0.004/kWh)		Customer Bill after Apr. 2006 Reset		Apr. 2006 Reset	
			Rate Case		Rate Case		% impact				Reset		% impact	
Median Use	531		\$47.11		\$47.89		1.7%		\$2.12		\$50.01		4.4%	
Average Use	677		\$57.91		\$58.84		1.6%		\$2.71		\$61.55		4.6%	

	Summer	kwh	\$ Increase from Apr. 2006 Surcharge (0.000672/kWh)		Customer Bill with Apr. 2006 Surcharge		Apr. 2006 Surcharge		(before rate case) Total		(after rate case) Total	
			Rate Case		Surcharge		% impact		Cumulative % Impact		Cumulative % Impact	
Median Use	818		\$0.55		\$87.95		0.6%		9.1%		4.5%	
Average Use	1047		\$0.70		\$117.70		0.6%		8.9%		4.3%	

	Winter	kwh	\$ Increase from Apr. 2006 Surcharge (0.000672/kWh)		Customer Bill with Apr. 2006 Surcharge		Apr. 2006 Surcharge		(before rate case) Total		(after rate case) Total	
			Rate Case		Surcharge		% impact		Cumulative % Impact		Cumulative % Impact	
Median Use	531		\$0.36		\$50.37		0.7%		6.9%		5.2%	
Average Use	677		\$0.45		\$62.00		0.7%		7.1%		5.4%	

Calculation of Surcharge Rate from Reset Carryover

Month	2005		2005		2005		2006		2006		2007	
	PSA Retail Energy Sales (less E-36) (kWh)	2005 E-3 & E-4 (kWh)	PSA Retail Energy Sales (less E-3&4) (kWh)	PSA Retail Energy Sales (less E-3&4) (kWh)	PSA Retail Energy Sales (projected) (kWh)	PSA Retail Energy Sales (less E-3&4) (kWh)	PSA Retail Energy Sales (less E-3&4) (kWh)	PSA Retail Energy Sales (less E-3&4) (kWh)	PSA Retail Energy Sales (less E-3&4) (kWh)	PSA Retail Energy Sales (less E-3&4) (kWh)	4 % growth Energy Sales (kWh)	4 % growth Energy Sales (kWh)
January	-	22,294,228			2,094,795,000	2,072,500,772	2,155,400,803	2,241,616,835				
February	-	18,692,321			1,791,633,000	1,772,940,679	1,843,858,306	1,917,612,638				
March	-	16,119,355			1,858,076,000	1,841,956,645	1,915,634,911	1,992,260,307				
April	1,740,332,253	15,320,341	1,725,011,912		1,883,287,000	1,867,966,659	1,942,685,325	2,020,392,738				
May	2,235,997,989	16,501,156	2,219,496,833		2,366,570,000	2,350,068,844	2,444,071,598	2,541,834,462				
June	2,565,383,692	24,205,831	2,541,177,861		2,737,237,000	2,713,031,169	2,821,552,416	2,934,414,512				
July	3,075,187,048	32,722,561	3,042,464,487		3,190,865,000	3,158,142,439	3,284,468,137	3,415,846,862				
August	2,932,462,804	34,010,136	2,898,452,668		3,148,779,000	3,114,768,864	3,239,359,619	3,368,934,003				
September	2,570,201,155	33,156,841	2,537,044,314		2,612,605,000	2,579,448,159	2,682,626,085	2,789,931,129				
October	2,148,761,907	24,598,659	2,124,163,248		2,135,934,000	2,111,335,341	2,195,788,755	2,283,620,305				
November	1,765,673,110	19,496,762	1,746,176,348		1,903,190,000	1,883,693,238	1,959,040,968	2,037,402,606				
December	1,996,991,598	22,417,805	1,974,573,793		2,179,666,000	2,157,248,195	2,243,538,123	2,333,279,648				
Total	21,030,991,556	279,535,996	20,808,561,464		27,902,637,000	27,623,101,004	28,728,025,044	29,877,146,046				

\$38,758,073 collected from surcharge Feb 2006 - Jan 2008
 Carryover 56,520,242,111 kWh
 0.000686 per kWh

\$38,179,689 collected from surcharge April 2006 - March 2008
 Carryover 56,815,217,733 kWh
 0.000672 per kWh

\$110,824,004 collected from February reset (Feb 2006 - Jan 2007)
 27,706,001,035 kWh
 0.004 per kWh

\$111,402,388 collected from April reset (Apr 2006 - Mar 2007)
 27,850,596,928 kWh
 0.004 per kWh

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ARIZONA PUBLIC SERVICE COMPANY
February 2006, Schedule 3
PSA Calculation
PSA Adjustor Rate Calculation

Line

No. PSA Adjustor Rate Calculation

1	Post-Sharing (Over)/Under Collection Amount (From Sch. 1)		\$ 167,929,728
2	Annual Interest (From Sch. 2)		\$ 1,652,349
3	Less: Approved Amortization Surcharge Balance		\$ -
4	Bandwidth Carry Forward from Prior Period		\$ -
5	Total (Credit)/Charge Amount (Line 1 + Line 2 - Line 3 +Line 4)		<u>\$ 169,582,077</u>
6	Total (Credit)/Charge Amount	\$ 169,582,077	
7	Projected Energy Sales without E-3, E-4 and E-36 (kWh)	<u>27,706,001,035</u>	
8	Computed Adjustor Rate per kWh (Line 6 / Line 7)		<u>\$ 0.006121</u>
8.1	Current Adjustor Rate per kWh	\$0.000000	
8.2	Diff. between Current Adj. Rate and Computed Adj. Rate (line 8.1 - line 8)	\$0.006121	
<u>Adjustor Rate Bandwidth</u>			
9	Adjustor Rate Bandwidth Upper Limit		<u>\$ 0.004000</u>
10	Adjustor Rate Bandwidth Lower Limit		<u>\$ (0.004000)</u>
11	Applicable Adjustor Rate per kWh for February 1, 2006		<u>\$ 0.004000</u>
12	Total (Credit)/Charge Carried Forward Due to Adjustor Rate Bandwidth		<u>\$ 58,758,073</u>
13	Costs Related to Palo Verde Outage		<u>\$ (20,000,000)</u>
14	Unrecovered 2005 Fuel and Purchased Power Costs (not related to PV Outage)		<u>\$ 38,758,073</u>

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ARIZONA PUBLIC SERVICE COMPANY
April 2006, Schedule 3
PSA Calculation
PSA Adjustor Rate Calculation

Line

No. PSA Adjustor Rate Calculation

1	Post-Sharing (Over)/Under Collection Amount (From Sch. 1)		\$ 167,929,728
2	Annual Interest (From Sch. 2)		\$ 1,652,349
3	Less: Approved Amortization Surcharge Balance		\$ -
4	Bandwidth Carry Forward from Prior Period		\$ -
5	Total (Credit)/Charge Amount (Line 1 + Line 2 - Line 3 +Line 4)		<u>\$ 169,582,077</u>
6	Total (Credit)/Charge Amount	\$ 169,582,077	
7	Projected Energy Sales without E-3, E-4 and E-36 (kWh)	<u>27,850,596,928</u>	
8	Computed Adjustor Rate per kWh <u>(Line 6 / Line 7)</u>		<u>\$ 0.006089</u>
8.1	Current Adjustor Rate per kWh	\$0.000000	
8.2	Diff. between Current Adj. Rate and Computed Adj. Rate (line 8.1 - line 8)	\$0.006089	
<u>Adjustor Rate Bandwidth</u>			
9	Adjustor Rate Bandwidth Upper Limit		<u>\$ 0.004000</u>
10	Adjustor Rate Bandwidth Lower Limit		<u>\$ (0.004000)</u>
11	Applicable Adjustor Rate per kWh for April 1, 2006		<u>\$ 0.004000</u>
12	Total (Credit)/Charge Carried Forward Due to Adjustor Rate Bandwidth		<u>\$ 58,179,689</u>
13	Costs Related to Palo Verde Outage		<u>\$ (20,000,000)</u>
14	Unrecovered 2005 Fuel and Purchased Power Costs (not related to PV Outage)		<u>\$ 38,179,689</u>

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ARIZONA PUBLIC SERVICE COMPANY
2005, Schedule 1
PSA Calculation
Monthly Energy Sales and Costs

Line No.	Month	(a) PSA Retail ¹ Energy Sales (kWh)	(b) Native Load ² Wholesale Energy Sales (kWh)	(c) Native Load Energy Sales (kWh)	(d) System ³ Book Fuel and Purchased Power Costs	(e) System Book ⁴ Off-System Sales Revenue	(f) Net Native Load Power Supply Cost	(g) PSA Retail ⁵ Power Supply Cost	(h) Base Rate Power Supply Cost	(i) Pre-Sharing (Over)/Under Collection	(j) Post-Sharing (Over)/Under Collection
				(a + b)			(d - e)	(a/c * f)	(a * 0.020743)	(g - h)	(i * 0.9)
1	January	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	February	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	March	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	April (actual)	1,740,332,253	66,132,000	1,806,464,253	\$ 43,104,060	\$ 3,912,992	\$ 39,191,068	\$ 37,756,341	\$ 36,099,712	\$ 1,656,629	\$ 1,490,966
5	May (actual)	2,235,997,989	74,575,395	2,310,573,384	\$ 68,021,559	\$ 4,071,192	\$ 63,950,367	\$ 61,886,324	\$ 46,381,306	\$ 15,505,018	\$ 13,954,516
6	June (actual)	2,565,383,692	59,137,886	2,624,521,578	\$ 82,623,490	\$ 3,805,618	\$ 78,817,872	\$ 77,041,883	\$ 53,213,754	\$ 23,828,129	\$ 21,445,316
7	July (actual)	3,075,187,048	98,176,607	3,173,363,655	\$ 116,981,599	\$ 3,172,422	\$ 113,809,177	\$ 110,288,182	\$ 63,788,605	\$ 46,499,577	\$ 41,849,619
8	August (actual)	2,932,462,804	95,743,670	3,028,206,474	\$ 108,064,494	\$ 3,857,282	\$ 104,207,212	\$ 100,912,463	\$ 60,828,076	\$ 40,084,387	\$ 36,075,948
9	September (actual)	2,570,201,155	74,901,341	2,645,102,496	\$ 86,283,345	\$ 3,005,558	\$ 83,277,787	\$ 80,919,611	\$ 53,313,683	\$ 27,605,928	\$ 24,845,335
10	October (actual)	2,148,761,907	82,028,000	2,230,789,907	\$ 78,481,302	\$ 5,884,090	\$ 72,597,212	\$ 69,927,752	\$ 44,571,788	\$ 25,355,984	\$ 22,820,386
11	November (prelim)	1,765,673,110	62,258,774	1,827,931,884	\$ 37,494,179	\$ 4,822,816	\$ 32,671,363	\$ 31,558,587	\$ 36,625,357	\$ (5,066,770)	\$ (4,560,093)
12	December (prelim)	1,996,991,598	82,344,000	2,079,335,598	\$ 60,680,939	\$ 5,971,064	\$ 54,709,875	\$ 52,543,303	\$ 41,423,597	\$ 11,119,706	\$ 10,007,735
13	Total	21,030,991,556	695,297,673	21,726,289,229	\$ 681,734,967	\$ 38,503,034	\$ 643,231,933	\$ 622,834,446	\$ 436,245,858	\$ 186,588,588	
14										Move forward to Schedule 3, Line 1	\$ 167,929,728

¹ Retail Energy Sales on rate schedule E-36 were excluded.

² Includes traditional sales-for-resale and PacifiCorp supplemental sales.

³ Includes native load and off-system fuel and purchased power costs less those costs associated with E-36, the non-fuel Bridge PPA, ISFSI and mark-to-market accounting adjustments. Broker fees have been removed. Sundance net savings are excluded.

⁴ Includes off-system revenue less mark-to-market accounting adjustments.

⁵ The maximum annual amount that can be used for the PSA calculation is \$776,200,000.

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